(d) whether our economy is moving in the direction of foreign dependence; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (e) No, Sir. The economic reforms have had a favourable impact on the growth of the economy. With an annual GDP growth of 6.3 per cent during 1992-93 to 2000-2001, India has emerged as one of the fastest growing economies in the world. The economy has also become more self reliant with large foreign exchange reserves.

Ban on short selling of shares

236. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any representation from most of the private and foreign banks for reconsidering the ban on the short selling of shares; and

(b) if so, what is Government's response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) No, Sir.

(b) Does not arise.

Relaxation in loan norms by Banks

237. SHRI C.O. POULOSE: Will the Minister of FINANCE be pleased to state:

(a) whether there is an immediate need to increase lending in areas like agro-processing bio-technology and horticulture by commercial banks with regular monitoring;

(b) whether loans are needed to be given in the education sector so that promising students are not deprived of education because of lack of funds; and

(c) if so, what steps Government are taking to relax loan norms for these activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) Reserve Bank of India (RBI) has reported that traditional/non-traditional plantations and horticulture as also medium and long term loans to all plantations/horticulture have already been included in Priority Sector and have been classified as Direct Finance to Agriculture. Loans given by banks to food and agro-processing sector are also included under priority sector lending and achievement are being monitored regularly by RBI.

(b) and (c) RBI has reported that a new educational loan scheme prepared by the Indian Banks Association (IBA) duly approved by the Government has been circulated among all scheduled commercial banks for implementation during this academic session itself. The salient features of the scheme are:

- Cover courses in schools and colleges in India and abroad;
- Loans up to Rs. 7.5 lakhs for studies in India and up to Rs. 15 lakhs for studies abroad;
- No collateral or margin required for loans up to Rs 4 lakhs;
- Interest on loans up to Rs. 4 lakh will not exceed PLR and those above Rs. 4 lakh will be PLR + 1 per cent;
- Repayable over a period of 5–7 years after completion of the course.

RBI has also reported that out of 27 banks, 26 banks have already issued instructions to their branches for implementation of the scheme and circular is being issued by the remaining one bank shortly.

Kisan Credit Cards in Karnataka

238. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that many banks in Karnataka are refusing to issue Kisan Credit Cards; and

(b) if so, what action is proposed to be taken against such banks?